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TESTIMONY REGARDING HB 5411 – AN ACT CONCERNING MEDICAID

Before the Human Services Committee March 11, 2010

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Senator Doyle, Representative Walker, and members of the Human Services Committee, my name my name is William F. Sullivan, Jr. and I am President & CEO of Visiting Nurse Services of Connecticut, Inc.. I am also Chair of the Board of Directors of the Connecticut Association for Home Care & Hospice (CAHCH).

I am pleased to provide this testimony in **support** of Section 6 of H.B. 5411, which requires the Department of Social Services to file a Medicaid waiver to convert some, or all, of the state-funded portion of the CT Home Care Program for Elders to Medicaid. This bill would provide a sustainable framework to expand consumer-preferred home care while saving the taxpayer money.

Visiting Nurse Services of Connecticut just celebrated its 100th anniversary providing home care to a wide range of Connecticut citizens in 54 communities. Our non profit agency serves more than 9,700 patients each year from Fairfield, New Haven, and Litchfield counties, including more than 1,700 Medicaid patients. Unfortunately though, inadequate Medicaid rates are threatening our ability to continue with our chartered mission. In the most recently completed fiscal year, VNS of Connecticut lost in excess of \$2.6 million dollars providing care to Medicaid and State funded patients.

The Board of Directors of my agency is asking difficult questions about how much longer we can continue down this path, as they design our business direction for the future. Our concerns are heightened by the prospect of a 5% Medicaid cut in the Governor's Deficit Mitigation Plan, as well as Medicare cuts in Washington.

The plan for a Medicaid waiver and placement of funds into the Long Term Care Reinvestment Account would create a sustainable mechanism to ensure that funds are available to maximize home care's ability to save the State taxpayer significant money. Last year, the CT Home Care Program for Elders saved State taxpayers over \$100 million by preventing or delaying placement in institutions – \$2 saved for every \$1 invested. This is a great return on investment for the State.

Finally, I would like to point out that the approach of filing a Medicaid waiver is a vastly preferable way to generate funds than the 15% copayment currently being applied to State funded clients, which has lead to concerns among my State funded clients, and could ultimately lead to premature placement in nursing homes.

For all of these reasons, we are pleased to express our strong support for this bill and we urge a Joint Favorable recommendation from this Committee. If appropriately funded, home care does offer valued and measurable solutions to our State's foremost issues --- relief to the budget crisis, and creation of jobs. Thank you.